

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA Division Director

May 7, 2014

Certified Return Receipt 7011 2970 0001 8828 2280

Kevin Turpin P.O. Box 281 Fairview, Utah 84629

Subject: Modified Division Directive to Submit a Notice of Intention to Commence Small

Mining Operations or to Reclaim, Kevin Turpin, Unpermitted Landscape Rock Mine,
S/039/0037, Sanpete County, Utah

Dear Mr. Turpin:

By letter dated March 3, 2014, you were directed by the Division of Oil, Gas and Mining (Division) to either, 1) reclaim mining disturbances on your private land about one mile south of Fairview and east of Highway 89, or 2) submit a Notice of Intention to Commence Small Mining Operations (Notice), a reclamation surety, the permit fee, and a reclamation contract. These were to be done by April 1, 2014.

The requirement to complete these actions remains in effect, but the deadline is hereby extended to June 9, 2014. The regulatory background for requiring these actions was detailed in the Division's March 3, 2014, letter.

On April 3, 2014, Peter Brinton of the Division met with you on-site at your request to learn more about the project and to confirm whether a mine permit was needed. In summary, the site is being cleared of surface rock to improve its value as farmland, and the rock produced is being used for a nearby stream improvement project for which there is a contract with the National Resources Conservation Service (NRCS). After considering the additional information, the Division confirms that a mine permit is required for your project.

The required reclamation surety amount will be determined once the Division has reviewed your Notice. You indicated you may want to provide collateral surety in the form of real estate. At a minimum, you will need to provide the Division with the following:

1) A Sanpete County parcel identification number,



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- 2) Documentation of the current assessed value of the property as determined by Sanpete County, and
- 3) Any other recent information that may be helpful to the Division in determining the value of the land.

Depending on the assessed value of the property, the Division may also need you to provide an appraisal.

To account for market fluctuations and the cost the Division would incur to market the property in the event of forfeiture of the surety; the Division will only accept 65 percent of the value of the property toward the surety. The property must not be encumbered, such as through a mortgage, and you would need to provide a title report and title insurance in addition to a trust deed which, upon acceptance of the surety by the Division, would need to be recorded with the County. The property used as collateral must not be the same as the property being mined. Upon request, the Division could provide an example of a trust deed that could be used. Recognizing the difficulty of completing these requirements, the Division may be willing to allow more time to submit the surety if you have provided other required information and it appears you are working diligently to complete the surety requirement.

The Notice and reclamation contract forms are available on the Minerals Program's web site at http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/default.html.

Please contact Penny Berry (801-538-5291) or me (801-538-5261) to discuss requirements for collateral surety.

Failure to either proceed with permitting or to complete reclamation as required may result in enforcement action including associated fines. Please contact Peter Brinton at 801-538-5258, or me at 801-538-5261, if you have questions about aspects of this letter. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: pnb: eb

cc: Scott Olsen, Sanpete County (160 N. Main, Manti, Utah 84642)

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